



State of California

# Employment Training Panel

Arnold Schwarzenegger, Governor

December 24, 2009

Johnny Tsai, President  
Solar Link Technologies, Inc.,  
4652 E. Brickell Street  
Ontario, CA 91761

Dear Mr. Tsai:

RE: EARLY TERMINATION REPORT for Solar Link Technologies, Inc. (Solar Link) - ET09-0227

<b>Date of the Visit:</b>	12/16/09
<b>Beginning/Ending Time:</b>	9:30 a.m. – 11:00 a.m.
<b>Date of Last Visit:</b>	01/22/09
<b>Visit Location:</b>	Ontario, California
<b>Persons in attendance:</b>	Te-Hou Lee, Product Manager, ProMedia Technologies, Inc., and Carole Robinson, ETP Contract Analyst
<b>Action Required:</b>	No

## CONTRACT INFORMATION:

<b>Term of Agreement:</b>	10/27/08 – 10/26/10	<b>Agreement Amount:</b>	\$74,520
<b>Training Start Date:</b>	10/27/08	<b>No. to Retain:</b>	69
<b>Date Training must be Completed:</b>	07/26/10	<b>Range of Hours:</b>	24 - 85
<b>Type of Trainee:</b>	Retrainee	<b>Weighted Ave. Hours:</b>	60

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5353 Mission Center Road, Suite 110  
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(619) 686-1920

**FINAL REPORT SUMMARY:**

- **HISTORY OF AGREEMENT CHANGES**
- **CEASATION OF SOLAR LINK TELEVISION MANUFACTURING ACTIVITIES**
- **UNEARNED PROGRESS PAYMENTS**

The Agreement was executed on 12/01/08 and training began on 10/27/09. To date, Solar Link has not submitted any Revision Requests for this Agreement.

Mr. Te-Hou informed Ms. Robinson that, as of mid 2008, Solar Link is no longer manufacturing Olevia LCD televisions. He stated that, although the company planned on resuming production, only customer service repair, etc., activities were conducted through the third quarter of 2008 by company employees. In late 2008, Solar Link's remaining customer service/repair portion of the business was purchased by another company (Amergence). As of the date of this visit, only six full time employees remain employed by Solar Link. Mr. Te-Hou stated they presently work either performing various plant clean-up activities or were running errands as needed, for other local Ontario manufacturing facilities that are subsidiaries of Solar Link's parent company, Pou Chen Group, Taiwan.

Ms. Robinson reminded Mr. Te-Hou that the ETP agreement was approved by ETP at the October 2008 Panel Meeting based on the stated training needs of Solar Link relating to expansion of production and distribution of Olevia televisions in Ontario, California. She also informed him that all enrolled trainees must be employees of Solar Link with wages reported to California under Solar Link's California Employer Account Number (CEAN) at the start of training, during training, and during the 90-day retention period in order for ETP to consider any potential eligibility for any company employees. She also informed him that information regarding the sale of the remaining business activities in 2008 should have been shared with ETP during previous Monitoring Visits including the Start-up conducted on 10/22/08 and the 30-Day Visit conducted on January 22, 1009. Instead, during these visit, the ETP Analyst, Ms. Robinson, was informed that production activities were "slow" and were expected to resume after the beginning of the year (2009). Ms. Robinson was also assured that ETP funded class/lab training was being conducted in the meantime in anticipation of an increase in Olevia television production in 2009.

During review of On-line Invoicing and Class/lab Tracking reports for this Final Visit, Ms. Robinson noted that Quovus, Solar Link's administrative subcontractor, submitted Invoice # 3 for 16 trainees for Final Payment and Agreement closeout. Ms. Robinson previously advised Quovus to hold off on submitting the closeout invoice until a Final Monitoring Visit was conducted to ascertain if any outstanding Action Items needed to be addressed to avoid an invoice overpayment. For this reason, she advised Mr. Te-Hou and Quovus representatives via e-mail on 12/08/09 that Invoice #3 would be held by ETP Fiscal until after the Final Visit was conducted.

Ms. Robinson reviewed current class/lab records entered into the ETP On-line Tracking System with information obtained during this Final Visit and follow-up employee employment records that Mr. Te-Hou submitted via e-mail on 12/16/09. She determined that at least three trainees included on Invoice #3 did not meet ETP's minimum class/lab training hours (24) and 90-day retention requirements. She advised Mr. Te-Hou and Quovus representatives via e-mail on 12/22/09 that Invoice # 3 should be deleted and re-submitted. The revised invoice should only include those trainees who completed the 90-day employment retention period with Solar Link and meet the Terms and Conditions of the ETP Agreement for potential ETP reimbursement.

Until Solar Link's records are revised to determine if the ETP Agreement Terms and Conditions have been met, the number of potential retentions and earnings for this Agreement cannot be determined. To date, Solar Link has received \$16,686 in unearned Progress Payments which will continue to be considered as unearned until such time as Solar Link resubmits the Final/Closeout Invoice and ETP

determines Solar Link's actual eligible earnings. The Final/Closeout Invoice must be submitted by 11/26/10. Any unearned paid balance will be considered an overpayment payable to ETP by Solar Link with prevailing interest.

**PROJECT STATUS PROVIDED BY THE CONTRACTOR:**

Trainees Enrolled:	44	Completed Training by 04/15/09:	Unk
Dropped Following Enrollment:	3	Completed Retention by 07/15/09:	Unk
No. Completed Minimum Reimbursable Hours :	Unk	In Retention Period:	N/A

Based on Ms. Robinson's review of On-line Class/lab Tracking records, it appears a total of 31 trainees did not meet ETP training and retention requirements and 13 may be potentially eligible for a Final Payment determination by ETP Fiscal. However, Mr. Te-Hou agreed to review both Solar Link's ETP tracking records and company employment records to verify that these 13 trainees appear to meet the Terms and Conditions of the ETP Agreement.

**SUBAGREEMENTS:**

Mr. Te-Hou reported that no outside training vendors were retained for the delivery of any Class/lab training for this Agreement.

**INTERVIEWS:**

Because all Class/lab training ended on 04/15/09 and was never observed by Ms. Robinson, she requested interviews with two remaining Solar Link employees who attended at least 24 hours of Class/lab training.

Number of Trainees Interviewed:	2	Occupations of Trainees Interviewed:	Facility Manager and Engineer
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- The trainees stated they have attended at least 24 hours of Class/lab training in Process Improvement, Warehousing Skills, and Document Control, and ISO 14001;
- Reported their in-house trainers (employees of Solar Link) were knowledgeable in the subject matter and presented the material in an easily understood manner;
- Trainers also answered questions effectively and used many examples in the training materials;
- Trainees reported training helped the company to develop Standard Operating Procedures using print-outs to follow
- Stated they have been involved with refurbishing, repair of customer returns, and plant "clean-up" activities subsequent to sale of Solar Link to Amergence, and
- Stated they remain employees of Solar Link, received their regular wages, and signed a class/lab roster for each training session attended.

**AUDIT:**

Solar Link will be notified in writing if this agreement is selected for an audit that will be conducted either at your site (field audit) or by telephone if selected for a desk audit (or “review”). These notifications will be sent in advance to allow ample preparation time and will include a list of documentation that will be examined by the auditor. A list of the documentation typically examined during an audit will be included along with the Audit Notification and Audit confirmation letters. To provide support of training, original training attendance documentation is required; photocopied records are not acceptable. Listed below are types of records typically requested during an ETP field audit:

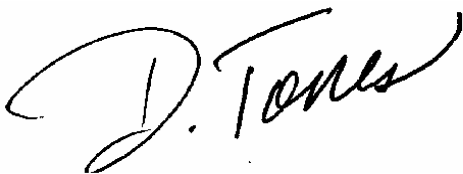
- Training attendance records such as rosters, sign-in sheets, etc.
- Payroll records of individual trainees to verify wage and hours worked
- Personnel records regarding occupation and dates of employment
- Documentation of employer paid health benefits (if applicable)
- Cash receipts to verify receipt and accounting of ETP funds

**RECORD RETENTION:**

Records must be retained within your control and be available for review at your place of business within the State of California. This responsibility will terminate no sooner than four (4) years from the date of the termination of the Agreement or three (3) years from the date of the last payment by ETP to the Contractor, or the date of resolution of appeals, audits, claims, exceptions, or litigation, whichever is later.

If you have any questions or comments regarding the information contained in this letter, please contact Carole Robinson at (619) 686-4971, within ten (10) working days from the receipt date of this letter.

Sincerely,

A handwritten signature in black ink, appearing to read "D. Torres". The signature is fluid and cursive, with a large initial "D" and a stylized "Torres".

Diana Torres, Manager  
San Diego Field Office

A handwritten signature in cursive script that reads "Carole Robinson".

Carole Robinson, Contract Analyst  
San Diego Field Office

cc: Kulbir Mayall, Manager, ETP Fiscal Unit  
Quovus  
Master File  
SD Project File

Date report mailed to Contractor: 12/29/09